



DEVELOPMENT ACROSS THE DISTRICT

OFFICE OF THE DEPUTY MAYOR
FOR PLANNING AND ECONOMIC DEVELOPMENT

December 3, 2001

“Thirty days of fasting. Nine candles. Seven principles. And a tree.

These are the harbingers of the holiday season-the traditions of Ramadan, Hanukkah, Kwanza and Christmas. They are the rituals that bring us together: in worship and contemplation, in neighborhoods and communities, as friends and family. And they are experiences that you can share in your home: a menorah in your window, a feast in your kitchen, festive music in your living room, and your family room, resplendent with a tree.”

Mayor Anthony A. Williams

‘TIS THE SEASON FOR A STRENGTHENING ECONOMY.

While the economy may not be its pre-September 11th self (we’re forecasting a \$750 million hit, resulting in a \$100 million loss in FY02 revenue), there are signs that it’s beginning to rebound:

Revenue

- Collections of sales tax were better than expected in October. We forecast a 50% drop in revenue; the actual drop was only 33%.

Unemployment

- Seasonally adjusted unemployment in the District dropped from 6.6% in September to 6.3% in October. (Unemployment nationwide rose 0.5%.)
- In the month following 9/11, new unemployment claims were double those of September 2000. In the last 2 weeks, new unemployment claims are back to levels virtually identical to last year (+1%).

Hotels

- Hotel occupancy now stands at 68%, up from a post-September 11th low of 25%, and well above the national average of 59%. Hotel occupancy in the District is now beginning to run slightly ahead of the Washington metropolitan area for the first time since September 11th.

Restaurants

- Restaurants are reporting that business is increasing every week. According to Lynne Breaux, Interim President of the Restaurant Association of Metropolitan Washington, restaurants “have stabilized and are beginning to see their regulars returning.”
- Restaurant Week was highly successful; restaurants reported increases in business from 25% to 200% over the previous week.

“Our projections remain conservative. But the early returns demonstrate a recovery is happening faster than expected and give us some hope that the economic impact may be less severe than originally thought,” said Mayor Williams.

NOTABLES AND QUOTABLES.

- ***Local Businesses Like the Bank Deposit Program.*** After 10 days of the District’s Bank Deposit program, the five participating banks have:
 - approved loans totaling \$930,000;

For more information, visit our website at www.dcg.biz.dc.gov

- have pending loan applications totaling \$2.3 million;
- and are awaiting receipt of 54 applications from potential borrowers.

The Bank Deposit Program is part of Mayor Williams' ongoing commitment to help our city's businesses recover from the effects of the September 11th attacks. Visit <http://dc.gov/mayor/news/release.asp?id=265&mon=200111> for more details.

- ***We're Moving on In! The District's Housing Market Remains Strong.*** According to the November 14th edition of the *Washington Business Journal*, "one of the year 2000's best real estate investments has been a home in the District. A Freddie Mac report says home value growth in the District had the fastest quarterly increase in the nation—up 29 percent." Read <http://washington.bcentral.com/washington/stories/2001/11/12/daily24.html>
- ***Mayor Williams Goes to Hollywood.*** On Sunday, November 18th Mayor Williams joined cast and crew from NBC's *The West Wing* to film a PSA encouraging travel to the Nation's Capital, while Martin Sheen and Rob Lowe gave personal testaments from the show's California set. Check out the photos in the "Press Releases" area at www.washington.org and read the article from the *Washington Post* at <http://www.washingtonpost.com/wp-dyn/articles/A55402-2001Nov19.html>
- ***Family and friends want to come to DC? Now they can. By plane. For cheap.*** On Friday, the US Airways Shuttle introduced new "GoFares" for travel between New York and Boston or between New York and the District. With so many different reasons to go to three of America's greatest cities, GoFares offer inexpensive options for people on the go.
 - *Go Often Fare* \$138 roundtrip (\$118 roundtrip if purchased online)
 - *Go Shopping Fare* \$98 roundtrip (\$78 roundtrip if purchased online)
 - *Go Youth Fare* \$98 roundtrip (\$78 roundtrip if purchased online)
 - *Go AARP Fare* \$98 roundtrip

Visit http://www.usairways.com/promotions/specials/shuttle_promo_fares.htm

- ***Giving the Gift of Better Housing.*** On Thursday, November 8th, the Housing Finance Agency announced their renovation plans for Huntwood Apartments, a 214-unit housing complex in Ward 7. With \$3 million in Low-Income Housing Tax Credits and \$7.5 million in tax-exempt and taxable bonds from the D.C. Housing Finance Agency, Huntwood's 17 buildings will be completely renovated, including new windows a new playground, and upgrading the plumbing and electrical systems. The apartments will be affordable at less than 60% of the area median income (\$36,330 for individuals and less than \$51,900 for a family of four). Visit www.dchfa.org

AND DON'T FORGET...

- ***It's our Holiday Homecoming. You're invited! And tell a friend...***
On Monday, December 3 at 6:00pm, Mayor Williams will kick off the District's "Holiday Homecoming" with a holiday light show on Pennsylvania Avenue, NW. Join us at Freedom Plaza (Pennsylvania Avenue at 14th Street) to see this first-ever use of new lighting technology in the United States. For more information, visit www.dcinspires.com

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